AMENDED IN ASSEMBLY APRIL 20, 2009 AMENDED IN ASSEMBLY APRIL 14, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 1311

Introduced by Assembly Members Duvall and Tran

February 27, 2009

An act to amend Sections 12935, 14669, and 14670.12 8164, 12935, 14669, 14670.12, and 14982 of, and to repeal Section 8878.97 of, the Government Code, relating to state government.

LEGISLATIVE COUNSEL'S DIGEST

AB 1311, as amended, Duvall. State government reports.

(1) Existing law requires the Department of General Services to submit an annual report to the Joint Legislative Budget Committee and each Member of the Legislature that is required to list specified information and include detailed information on all items in the report.

This bill would instead require the department to summarize the information required to be included in the report and would delete the requirement regarding detailed information.

(1)

(2) Existing law requires the State Architect to, by January 10 of each year, provide the Joint Legislative Budget Committee and the chairpersons of the fiscal committees in each house of the Legislature a listing of expenditures for activities relating to local government buildings, as specified.

This bill would repeal this requirement.

(2)

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(3) Existing law gives the Fair Employment and Housing Commission specified powers and duties, including issuing publications and results of inquiries and research that, in its judgment, will tend to promote good will and minimize or eliminate unlawful discrimination, as specified.

This bill would repeal this provision.

(3)

(4) Existing law requires the Director of General Services to, by March 1 of each year, prepare and submit to the Legislature, as specified, a report listing all leases entered into in the prior calendar year with an option to purchase with another public or private entity that involve office space.

This bill would repeal that requirement.

(4)

(5) Existing law authorizes the Director of General Services to lease any real property owned by the state not exceeding 5 acres for a period not to exceed 25 years to governmental entities to further the state's mission to provide emergency services. Existing law requires the director to report annually to the Legislature concerning this authority.

This bill would repeal this reporting requirement.

(6) Existing law authorizes the Department of General Services to enter into exclusive or nonexclusive contracts on a bid or negotiated basis with manufacturers and suppliers of single source or multisource drugs. The department is required to submit an annual report on activities that have been, or will be, undertaken pursuant to those provisions.

This bill would repeal the requirement for that annual report.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 8164 of the Government Code is amended 2 to read:
- 3 8164. Commencing January 1, 1979, the department shall
- 4 report to the Joint Legislative Budget Committee and each Member of the Legislature annually. The report shall list by summarize all
- 5 of the Legislature annually. The report shall list by summarize all
- 6 *of the following:*
- 7 (a) Leases by the state to others for residential or commercial purposes in the Capitol area ;sales or.

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(b) Sales or building construction initiated or completed by the state in the metropolitan area expenditures under authority of Section 8169.1, by type ;transactions and.

- (c) Transactions and operations of joint powers agencies under authority of Section 8169.4, since the last report and shall set forth the department's.
- (d) The department's appraisal of the degree to which such these projects conform to the Capitol Area Plan. The report shall include detailed information on all such items.

SECTION 1.

- 11 SEC. 2. Section 8878.97 of the Government Code is repealed. SEC. 2.
- 13 SEC. 3. Section 12935 of the Government Code is amended to read:
 - 12935. The commission shall have the following functions, powers, and duties:
 - (a) To adopt, promulgate, amend, and rescind suitable rules, regulations, and standards (1) to interpret, implement, and apply all provisions of this part, (2) to regulate the conduct of hearings held pursuant to Sections 12967 and 12981, and (3) to carry out all other functions and duties of the commission pursuant to this part.
 - (b) To conduct hearings pursuant to Sections 12967 and 12981.
 - (c) To conduct mediations at the request of the department at any time after a complaint is filed pursuant to Section 12960, 12961, or 12980. The department may withdraw a request for mediation at any time to pursue an investigation.
 - (d) To establish and maintain a principal office within the state and to meet and function at any place within the state.
 - (e) To appoint an executive secretary, and any attorneys and other employees as it may deem necessary, fix their compensation within the limitations provided by law, and prescribe their duties.
 - (f) To hold hearings, subpoena witnesses, compel their attendance, administer oaths, examine any person under oath and, in connection therewith, to require the production of any books or papers relating to any matter under investigation or in question before the commission.
 - (g) To create or provide financial or technical assistance to any advisory agencies and conciliation councils, local or otherwise, as in its judgment will aid in effectuating the purposes of this part,

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and to empower them to study the problems of discrimination in all or specific fields of human relationships or in particular instances of employment discrimination on the bases enumerated in this part or in specific instances of housing discrimination because of race, religious creed, color, national origin, ancestry, familial status, disability, marital status, sex, or sexual orientation and to foster, through community effort or otherwise, good will, cooperation, and conciliation among the groups and elements of the population of the state and to make recommendations to the commission for the development of policies and procedures in general. These advisory agencies and conciliation councils shall be composed of representative citizens, serving without pay.

- (h) With respect to findings and orders made pursuant to this part, to establish a system of published opinions that shall serve as precedent in interpreting and applying the provisions of this part. Commission findings, orders, and opinions in an adjudicative proceeding are subject to Section 11425.60.
- (i) Notwithstanding Sections 11370.3 and 11502, to appoint administrative law judges, as it may deem necessary, to conduct hearings and mediations. Each administrative law judge shall possess the qualifications established by the State Personnel Board for the particular class of position involved. The hearing officers of the commission shall become administrative law judges on the effective date of this subdivision.

SEC. 3.

- SEC. 4. Section 14669 of the Government Code is amended to read:
- 14669. (a) The director may hire, lease, lease-purchase, or lease with the option to purchase any real or personal property for the use of any state agency, including the Department of General Services, if he or she deems the hiring or leasing is in the best interests of the state.
- (b) The director shall not enter into a lease-purchase agreement that involves office space, unless specifically authorized to do so by the Legislature. The director shall solicit written bids for any lease-purchase that involves office space in a newspaper of general circulation in the county in which the project is located. All bids received shall be publicly opened and the lease awarded to the lowest responsible bidder. If the director deems the acceptance of

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the lowest responsible bid is not in the best interest of the state,he or she may reject all bids.

SEC. 4.

- SEC. 5. Section 14670.12 of the Government Code is amended to read:
- 14670.12. Notwithstanding Section 14670, and with the consent of the state agency concerned, the director may let any real property owned by the state not exceeding five acres for a period not to exceed 25 years, to governmental entities to further the state's mission for providing emergency services, if he or she deems it to be in the best interest of the state.
- SEC. 6. Section 14982 of the Government Code is amended to read:
 - 14982. (a) It is the intent of the Legislature that the Department of General Services, University of California, and the Public Employees' Retirement System regularly meet and share information regarding each agency's procurement of prescription drugs in an effort to identify and implement opportunities for cost savings in connection with this procurement. It is the intent of the Legislature that the University of California and the Public Employees' Retirement System cooperate with the department in order to reduce each agency's costs for prescription drugs.
 - (b) The department shall do all of the following:
 - (1) Share information on a regular basis with the University of California and the Public Employees' Retirement System regarding each agency's procurement of prescription drugs, including, but not limited to, prices paid for the same or similar drugs and information regarding drug effectiveness.
 - (2) Identify opportunities for the department, the University of California, and the Public Employees' Retirement System to consolidate drug procurement or engage in other joint activities that will result in cost savings in the procurement of prescription drugs.
- 34 (3) Participate in at least one independent association that 35 develops information on the relative effectiveness of prescription 36 drugs.
- 37 (4) Develop strategies, in consultation with the affected agencies, 38 for the state to achieve savings through greater use of generic 39 drugs.

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(5) No later than January 1, 2006, and annually thereafter, develop a workplan that includes, but is not limited to, a description of the department's annual activities to reduce the state's costs for prescription drugs and an estimate of cost savings.

- (6) No later than January 10, 2006, and annually thereafter, report to the Chairperson of the Joint Legislative Budget Committee and the chairs of the fiscal committees of the Legislature and the appropriate policy committees of the Legislature on activities that have been, or will be, undertaken pursuant to this chapter. The report shall include, but not be limited to, all of the following:
- (A) The number and a description of contracts entered into with manufacturers and suppliers of drugs pursuant to Section 14977.1, including any discounts, rebates, or refunds obtained.
- (B) The number and a description of entities that elect to participate in the coordinated purchasing program pursuant to Section 14977.5.
- (C) A description of any joint activities of the department, the University of California, and the Public Employees' Retirement System in the last 12 months in connection with procurement of prescription drugs.
- (D) Other options and strategies that have been, or will be, implemented pursuant to this chapter.
- (E) Estimated costs and savings attributable to activities that have been, or will be, undertaken pursuant to this chapter.
- (F) The workplan that the department is required to develop pursuant to paragraph (5).
- (c) Nothing in this section shall be construed to require sharing of information that is prohibited by any other provision of law or contractual agreement, or the disclosure of information that may adversely affect potential drug procurement by any state agency.